



Department of State

EXCISE

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ACTION AF-18

INFO OCT-01 EUR-25 ISO-00 INT-08 SCEN-02 SCI-06 CIAE-00

DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10 PA-04

RSC-01 PRS-01 SPC-03 SS-20 USIA-15 EB-11 - COME-00

OMB-01 TRSE-00 DRC-

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R 171425Z DEC 73
FM AMEMBASSY VALLETTA
TO SECSTATE WASHDC 5087
INFO AMEMBASSY LONDON
AMEMBASSY ROME
USMISSION NATO
AMEMBASSY TRIPOLI

CONFIDENTIAL VALLETTA 2480

E.O. 66152: GDS
TAGS: ENRG, MT, LY, IT
SUBJ: OIL SUPPLY AND EXPLORATION
REF: A. VALLETTA 2452 B. VALLETTA 2435 C. VALLETTA 2256

DEPARTMENT OF STATE A/ODC/NE	
REVIEWED BY <i>J</i>	DATE <i>12/20/73</i>
RDS ☐ or XDS ☐ EXT. DATE	
TS AUTH.	REASON(S)
ENDORSE EXISTING MARKINGS ☒	
DECLASSIFIED ☐ RELEASABLE ☐	
RELEASE DENIED ☒ IN PART	
PA or FOI EXEMPTIONS <i>B1, X9</i>	

1. MANAGING DIRECTOR OF ITALIAN OIL COMPANY AGIP'S OIL EXPLORATION AND PRODUCTION DIVISION, DR. EGIDIO EGIDI, IS REPORTED TO HAVE DECLARED TO PRESS AT LUQA AIRPORT DEC. 14 THAT HIS COMPANY IS ALMOST CERTAIN IT WILL STRIKE OIL IN MALTA IF IT IS AWARDED ONE OF THE OFFSHORE CONCESSIONS CURRENTLY UNDER CONSIDERATION BY GOM (AREA NUMBER TWO OR MDINA BANK AREA BETWEEN MALTA AND LIBYA). ACCOMPANIED BY ANOTHER AGIP OFFICIAL, DR. TITO ALLEVE, EGIDI SAID HE WAS IN MALTA FOR TALKS WITH PM MINTOFF ON THE POSSIBILITY OF REFINING CRUDE OIL FOR MALTA (SEE REF A) AND ALSO REGARDING GOM'S PERMISSION TO START EXPLORATION SOUTH OF THE ISLAND.

2. VISIT BY AGIP OFFICIALS WAS FOLLOWED BY ARRIVAL FORMER LIBYAN FOREIGN MINISTER MANSOUR EL KIKHIA DEC 16. ALTHOUGH

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KIKHIA'S VISIT WAS BILLED AS BEING PRIVATE IN SCOPE. HE WAS MET AT AIRPORT BY FIRST SECRETARY LIBYAN EMBASSY ATTIA DEIBANI AND LOCAL PRESS REPORTS HIS THREE DAY STAY CONNECTED WITH OFFICIAL LAR BUSINESS.

3. COMMENT: ALTHOUGH WE UNDERSTAND KIKHIA IS NOW PRACTICING LAW IN LIBYA, WE CANNOT RULE OUT THE POSSIBILITY PURPOSE OF HIS VISIT IS TO DISCUSS PRICE AND DELIVERY TERMS FOR CRUDE OIL WHICH BREGA PETROLEUM MARKETING COMPANY HAS GUARANTEED TO MAKE AVAILABLE TO MALTA. ~~_____~~ HAS INDICATED STRONG COMPETITION BETWEEN AGIP AND A MONTEDISON SUBSIDIARY WITH A REFINERY AT TRIPOLI (SIRACUSA) FOR CONTRACT TO REFINER LIBYAN CRUDE ALLOCATED TO MALTA. PM'S BROTHER RAYMOND IS BELIEVED TO BE ASSOCIATED WITH MONTEDISON GROUP LOCALLY IN TEXTILE AND OTHER VENTURES. TUCKER

BK 14/5

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